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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X	
In re	:
	:
AMES DEPARTMENT STORES, INC., et al.,	:
	:
Debtors.	:
	:
-----X	
AMES MERCHANDISING CORPORATION,	:
	:
Plaintiff,	:
	:
vs.	:
	:
	:
GROTON INDUSTRIES A/K/A CHEYENNE	:
INDUSTRIES	:
	:
Defendant.	:
-----X	

**DECLARATION OF KEVIN FRITZ IN OPPOSITION TO DEFENDANT'S
MOTION TO WITHDRAW THE REFERENCE TO THE BANKRUPTCY COURT**

Kevin Fritz, an attorney duly admitted to practice in the United States District Court for the Southern District of New York, declares under the penalty of perjury and pursuant to 28 U.S.C. § 1746 that the following is true and correct:

1. I am an associate of the law of firm of Storch Amini & Munves, attorneys for Ames Merchandising Corporation ("Plaintiff"), as debtor and debtor in possession. As such, I

am familiar with the facts set forth below. I submit this declaration in opposition to Groton Industries, Inc. d/b/a Cheyenne Industries, Inc.'s ("Defendant") motion to withdraw the reference to the Bankruptcy Court.

2. On August 20, 2001, Plaintiff and Ames Department Stores, Inc. (collectively with Plaintiff, the "Debtors") filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code.

3. A copy of the Complaint filed on August 12, 2003 is attached hereto as Exhibit A.

4. A copy of an Order Establishing Procedures Governing All Adversary Proceedings Brought Pursuant to 11 U.S.C. § 547, signed by United States Bankruptcy Judge Robert E. Gerber on May 16, 2003, is attached hereto as Exhibit B.

5. A copy of an Order Establishing Mediation Procedures Governing Certain Adversary Proceedings Brought Pursuant to 11 U.S.C. § 547, signed by United States Bankruptcy Judge Robert E. Gerber on June 25, 2007 (the "Mediation Order"), is attached hereto as Exhibit C.

6. Plaintiff and Defendant engaged in mediation on November 7, 2007 before mediator Neil Forrest, Esq. pursuant to the Mediation Order.

7. A letter dated January 29, 2008 from Stewart Headlee, Esq. to mediator Neil Forrest, Esq. is attached hereto as Exhibit D.

8. Neil Forrest, Esq. has not issued a statement deeming the mediation closed.

Dated: New York, New York
March 7, 2008

By: /s/ Kevin Fritz
Kevin Fritz (KF-6788)
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Deryck A. Palmer, Esq. (DP 6351)
Barry S. Gold, Esq. (BG 9640)

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re	:	
	:	Chapter 11 Case No.
AMES DEPARTMENT STORES, INC., et al.,	:	01-42217 (REG)
	:	
Debtors.	:	Jointly Administered
	:	
-----	X	
AMES MERCHANDISING CORPORATION,	:	
	:	Adversary Proceeding
Plaintiff,	:	No. 03-_____ (REG)
	:	
vs.	:	
	:	
GROTON INDUSTRIES, INC.	:	
	:	
a/k/a	:	
	:	
CHEYENNE INDUSTRIES, INC.,	:	
	:	
Defendant.	:	
-----	X	

COMPLAINT TO AVOID PREFERENTIAL TRANSFERS

Plaintiff Ames Merchandising Corporation (“Ames” or “Plaintiff”), as debtor and debtor in possession, as and for its complaint to avoid certain preferential transfers made by Ames to Defendant Groton Industries, Inc. a/k/a Cheyenne Industries, Inc. (“Defendant”) respectfully alleges as follows:

JURISDICTION AND VENUE

1. On August 20, 2001 (the “Commencement Date”), the Debtors commenced with this Court a voluntary case under chapter 11 of title 11, United States Code (the “Bankruptcy Code”). Plaintiff continues to be authorized to operate its business and manage its property as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code and, accordingly, is authorized to prosecute avoidance actions.

2. The Court has subject matter jurisdiction over this adversary proceeding pursuant to 28 U.S.C. §§ 1331 and 1334(b) and (e).

3. This proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A)(F) and (O).

4. Venue in this district is proper pursuant to 28 U.S.C. § 1409(a) because this is the district where Ames’s chapter 11 case is pending.

5. This proceeding has been brought in accordance with Fed. R. Bankr. P. 7001.

THE PARTIES

6. Plaintiff is a corporation organized under the laws of Delaware with its principal place of business at 2148 Main Street, Rocky Hill, Connecticut.

7. Upon information and belief, Defendant is a corporation with its principal place of business at 40 Reservoir Park Drive, Rockland, MA 02370.

COUNT I

8. Plaintiff repeats and realleges each and every allegation contained in paragraphs 1 through 7 above as if fully set forth herein.

9. Sections 547(b) and 550(a) of the Bankruptcy Code empower a debtor in possession, for the benefit of the estate, to avoid and recover a transfer to a creditor of an interest of the debtor in property if the requirements set forth therein are met.

10. Pursuant to section 547(b) of the Bankruptcy Code, a debtor in possession may avoid any transfer of an interest of the debtor in possession in property (a) to or for the benefit of a creditor, (b) for or on account of an antecedent debt owed by the debtor in possession before such transfer was made, (c) made while the debtor in possession was insolvent, (d) made on or within 90 days, or in certain circumstances within one year, before the filing of the petition, (e) that enables such creditor to receive more in satisfaction of its claims than it would receive in a case under chapter 7 of the Bankruptcy Code if the transfer had not been made.

11. During the 90 day period prior to the Commencement Date, Plaintiff made certain transfers (the “Avoidable Transfers”) to Defendant on the dates and in the amounts set forth in the chart annexed as Exhibit A hereto.

12. The Avoidable Transfers were to or for the benefit of Defendant, a creditor of Ames.

13. The Avoidable Transfers were on account of antecedent debts owed by Ames to Defendant before such transfers were made.

14. The Avoidable Transfers to Defendant were made while Ames was insolvent.

15. The Avoidable Transfers enabled Defendant to recover more than it would have received if (a) the Avoidable Transfers had not been made, (b) the case were a case under Chapter 7, and (c) Defendant received payment of its debt to the extent provided by the provisions of Title 11 of the United States Code.

16. By reason of the foregoing, the Avoidable Transfers should be avoided and set aside as preferential and the money transferred should be returned to Ames. Ames is entitled to recover from Defendant an amount to be determined at trial that is not less than \$708,188.25 plus interest thereon to the date of payment and the costs of this action.

WHEREFORE Plaintiff respectfully requests that this Court enter judgment against Defendant pursuant to §§ 547(b) and 550(a) of the Bankruptcy Code (1) directing Defendant to pay to Ames's estate the amount of the Avoidable Transfers in an amount to be determined at trial that is not less than \$708,188.25, plus interest and costs and (2) granting to Ames such other and further relief as may appear just and proper.

Dated: New York, New York
July 8, 2003

/s/ Barry S. Gold
Barry S. Gold, Esq. (BG 9640)
Martin J. Bienenstock, Esq. (MB 3001)
Deryck J. Palmer (DP 6351)
WEIL, GOTSHAL & MANGES LLP
Attorneys for Plaintiff
767 Fifth Avenue
New York, New York 10153
(212) 310-8000

EXHIBIT A

Preference Period Wire Transfer Report

Vendor Name: Groton Industries, Inc./Cheyenne Ind Inc
Vendor Number: 736249

Date of Wire Transfer	Wire Transfer Amount(s)
07/20/01	\$109,624.25
07/16/01	53,541.85
07/13/01	38,780.00
07/06/01	38,834.10
07/02/01	103,116.35
05/22/01	99,215.70
05/29/01	6,277.50
06/14/01	136,220.30
06/18/01	55,426.05
06/22/01	67,152.15
	\$708,188.25

**UNITED STATES BANKRUPTCY COURT
 SOUTHERN DISTRICT OF NEW YORK**

-----X
In re :
 : **Chapter 11 Case No.**
AMES DEPARTMENT STORES, INC., et al., : **01-42217 (REG)**
 :
Debtors. : **Jointly Administered**
 :
 -----X

**ORDER ESTABLISHING PROCEDURES GOVERNING ALL
 ADVERSARY PROCEEDINGS BROUGHT PURSUANT TO 11 U.S.C. § 547**

Upon the motion (the “Motion”) dated April 28, 2003 of Ames Department Stores, Inc. and its subsidiaries, as debtors and debtors in possession (collectively, “Debtors”), for an order pursuant to sections 102(1), 105(a), 547 and 550 of title 11, United States Code (the “Bankruptcy Code”) and Rules 7016, 7026, 9006 and 9019 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), establishing certain procedures governing all preference claims and actions asserted under sections 547 and 550 of the Bankruptcy Code whether via demand letter or lawsuit (collectively the “Preference Actions”); and the Court having jurisdiction to consider and determine the Motion as a core proceeding in accordance with 28 U.S.C. §§ 157, 1331 and 1334; and no objections to the relief requested having been submitted; and it appearing that the relief requested by the Motion is necessary and in the best interests of Debtors, their estates and their creditors; and due notice of the Motion having been provided; and it appearing that no other or further notice of the Motion need be provided; and sufficient cause appearing therefor, it is hereby

ORDERED that the Motion is granted; and it is further

ORDERED with respect to pretrial conferences, discovery and motion practice in Preference Actions where an adversary proceeding has been commenced that

- Fed.R.Bankr.P. 7026(f) (mandatory meeting before scheduling conference/discovery plan) is not applicable in any Preference Action;
- No initial pretrial conference will be held pursuant to Bankruptcy Rule 7016 and, accordingly, the summons filed and served by Debtors will not include a date for a pretrial conference;
- Bankruptcy Rule 7026 disclosures shall be made within 30 days after the date the answer is served;
- All fact discovery shall be initiated so that it is completed within three months after the date the Bankruptcy Rule 7026 disclosures are served;
- Bankruptcy Rule 7026 disclosures of the parties' case-in-chief experts, if any, shall be made within 20 days after the last date for fact discovery;
- Bankruptcy Rule 7026 disclosures of the parties' rebuttal experts, if any, shall be made within 20 days after the date the disclosures of the parties' case-in-chief experts are made;
- All expert discovery shall be concluded within 30 days after the date the disclosures of the parties' rebuttal experts are made;
- No motions may be made without the Court's prior approval, which may be sought, on notice, via telephone conference with the Court;
- Where Court approval has been obtained, summary judgment motions shall be filed within 30 days after the close of expert discovery or, in the event there is no expert discovery, within 30 days after the close of fact discovery; and it is further

ORDERED that any party to a Preference Action may, for good cause shown and where circumstances warrant, seek a modification of the terms contained in the prior decretal paragraph with respect to that particular Preference Action; and it is further

ORDERED with respect to the settlement of any Preference Action where the amount demanded is \$65,000 or more (regardless of whether an adversary proceeding has been commenced), (1) service of notice of any proposed settlement shall be effected by overnight mail, fax or e-mail and shall be limited to counsel to the statutory Committee of Unsecured Creditors (the "Committee"); (2) if no written objection is received from the Committee within ten business days from the date of service, Debtors shall be authorized to consummate the proposed settlement without order of the Court or consent of any other party and, where an adversary proceeding has been commenced, upon consummation of the settlement Debtors shall thereafter dismiss the Preference Action (a) if no answer has been filed, by the filing of a Notice of Dismissal pursuant to Bankruptcy Rule 7041(a)(1)(i) and (b) if an answer has been filed, by the filing of a Stipulation and Order of Dismissal pursuant to Bankruptcy Rule 7041(a)(1)(ii); and (3) in the event the Committee serves a written objection within the requisite time, Debtors may move for Court approval of the settlement pursuant to Bankruptcy Rule 9019 upon limited notice to the Committee, the Office of the United States Trustee and the defendant in that particular Preference Action; and it is further

ORDERED with respect to the settlement of any Preference Action where the amount demanded is less than \$65,000 (regardless of whether an adversary proceeding has been commenced), Debtors shall be authorized to consummate the proposed settlement without order of the Court or giving notice to, or receiving consent from, any other party and, where an adversary proceeding has been commenced, upon consummation of the settlement Debtors shall dismiss the Preference Action (1) if no answer has been filed, by the filing of a Notice of Dismissal pursuant to Bankruptcy Rule

7041(a)(1)(i) and (2) if an answer has been filed, by the filing of a Stipulation and Order of Dismissal pursuant to Bankruptcy Rule 7041(a)(1)(ii); and it is further

ORDERED that beginning on the 30th day after the first settlement is consummated or approved (if necessary), Debtors will submit to the Court, the Committee and the Office of the United States Trustee each month a status report setting forth the Preference Actions settled and the amount of each settlement; and it is further

ORDERED that, except as modified by this Order, Case Management Order #2 in this case dated March 19, 2003 shall apply in all Preference Actions;

ORDERED that counsel for Debtors shall serve a copy of this Order and Case Management Order #2 upon the defendant in any Preference Action either with the summons and complaint or as soon after service of the summons and complaint as possible; and it is further

ORDERED that service of the Motion upon all parties set forth in Debtors' Master Service List is hereby deemed good and sufficient service of the Motion; and it is further

ORDERED that the requirement under Rule 9013-1(b) of the Local Bankruptcy Rules for the Southern District of New York for the filing of a separate memorandum of law is hereby waived.

Dated: New York, New York
May 16, 2003

s/ Robert E. Gerber
United States Bankruptcy Judge

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X		
In re	:	
	:	Chapter 11 Case No.
AMES DEPARTMENT STORES, INC., <i>et al.</i>,	:	01-42217 (REG)
	:	
Debtors.	:	Jointly Administered
	:	
-----X		

**ORDER
ESTABLISHING MEDIATION PROCEDURES GOVERNING CERTAIN
ADVERSARY PROCEEDINGS BROUGHT PURSUANT TO 11 U.S.C. § 547**

Upon the motion (the “Motion”) dated May 21, 2007, of Ames Department Stores, Inc. and its subsidiaries, as debtors and debtors in possession (collectively, the “Debtors”), for an order pursuant to sections 105(a), 547 and 550 of title 11, United States Code (the “Bankruptcy Code”) and General Order M-211 of the United States Bankruptcy Court for the Southern District of New York, establishing mediation procedures governing all preference claims and actions asserted under sections 547 and 550 of the Bankruptcy Code (collectively the “Preference Actions”); and the Court having jurisdiction to consider and determine the Motion as a core proceeding in accordance with 28 U.S.C. §§ 157, 1331 and 1334; and objections by approximately 30 law firms on behalf of 60 defendants to the relief requested having been submitted; and a hearing having been held on June 13, 2007, at which all parties were permitted to present their arguments and contentions; and the Debtors’ having randomly selected four individuals in open court to serve as mediators; and it appearing that the relief requested by the Motion is necessary and in the best interests of the Debtors, their estates and their creditors; and due notice of the Motion having been provided; and it appearing that no

other or further notice of the Motion need be provided; and sufficient cause appearing therefor, it is hereby

ORDERED that the Motion is granted.

ORDERED that all parties to each and every pending Preference Action are hereby referred to individual mediation ("Mediation"), with the sole exception of any defendant to a Preference Action that is currently the subject of a case arising under the Bankruptcy Code.

ORDERED that with respect to those defendants that did not file an objection to, or appear in Court to oppose, the Motion (the "Defendants"), Francis G. Conrad, Neil P. Forrest, Margaret L. Shaw and Stanley S. Ostrau are hereby designated as the Mediators for the Preference Actions. The Mediation Groups (as defined in the Motion and attached as Exhibit C to the Motion) are hereby assigned as follows: Group 1 to Francis G. Conrad, Group 2 to Neil P. Forrest, Group 3 to Margaret L. Shaw and Group 4 to Stanley S. Ostrau. It is further Ordered that the remaining individuals on the list of mediators attached as Exhibit B to the Motion are designated as the Alternate Mediators. It is further Ordered that the Mediators shall have the power to assign specific actions in their respective Mediation Groups to another Mediator or to an Alternate in their sole discretion.

ORDERED that after consultation with the attorneys for the Defendants and the Debtors, and after giving the parties a modest period (~~at most~~ **in the order of magnitude of** a week or two) to resolve the matter before the start of formal mediation, the Mediation shall take place in-person at a time and location chosen by the Mediator. The Mediator shall inform counsel for the Debtors of the mediation time and location, and counsel for the Debtors shall inform the respective Defendant of the mediation time and location by letter in substantially the form attached to the Motion as Exhibit D. The principal(s) (or such other person with authority to make decisions and bind such party) of both parties must attend.

ORDERED that subject to discretion of the Mediator to establish different procedures, one week prior to the Mediation, the Defendant shall submit a mediation statement to the Mediator, with a copy to the Debtors, outlining its principal claims or defenses. Three days prior to the Mediation, the Debtors shall submit a mediation statement to the Mediator, with a copy to the Defendant, outlining their principal claims and any responses to the Defendant's statement. The mediation statements shall not exceed 10 double-spaced pages.

ORDERED that should any party fail to attend the Mediation, or should any party that does attend the Mediation fail to cooperate with the Mediator, the Mediator shall report that failure to the Court.

ORDERED that the parties shall divide the costs and fees of the Mediator evenly between them.

ORDERED that the Mediation shall be concluded no later than six months from the date of entry of this Order.

ORDERED that should any party fail to attend the mediation, or should the mediation fail to resolve the Preference Action, the parties shall have the lesser of (i) 90 days, or (ii) the period, if any, remaining in a specific order, Court directive or agreement governing fact discovery in a particular adversary proceeding, to complete fact discovery. Following the close of fact discovery, expert discovery will continue as provided for in the Court's May 16, 2003 Order Establishing Procedures Governing All Adversary Proceedings Brought Pursuant to 11 U.S.C. § 547 or as previously provided for by the parties. The parties shall submit a joint pre-trial stipulation thirty days after the conclusion of expert discovery.

ORDERED that any deviation from the procedures set forth in this order shall be allowed only by further order of the Court for good cause shown.

ORDERED that nothing, except as discussed specifically herein, shall affect the Court's May 16, 2003 Order Establishing Procedures Governing All Adversary Proceedings Brought Pursuant to 11 U.S.C. § 547 as well as the general case management orders governing the main bankruptcy proceedings.

ORDERED that there will be no automatic stay of discovery and referral to Mediation shall not impede or otherwise affect discovery or trial in any pending adversary proceeding. Deposition discovery before Mediation will be discouraged, but not prohibited and will generally be appropriate if, but only if, such depositions add something to the mediation beyond the record of the basic historical facts and documents. In the event the parties disagree about the need for deposition discovery or any other discovery matter, including requests that are perceived to be burdensome or harassing, the Court will resolve the matter by conference call.

ORDERED that the requirement under Rule 9013-1(b) of the Local Bankruptcy Rules for the Southern District of New York for the filing of a separate memorandum of law is hereby waived.

Dated: New York, New York
June 25, 2007

s/ Robert E. Gerber
United States Bankruptcy Judge

Adv. Pro. No.	Defendant(s)
03-8364	200 Toy (HK) Ltd
03-8781	3M Company
03-4824	A & H Sportswear Co Inc.
03-4046	A D Sutton & Sons, Inc.
03-8704	A.O. Dangerous
03-6111	Abitibi Consolidated Inc.
03-6115	Accenture LLP
03-4249	Achim Importing Co. Inc.
03-8365	Achim Importing Company, Inc.
03-6626	Acme-McCrary Corporation
03-8401	ACP (Hong Kong) Ltd
03-6442	Adirondack Beverages Corp.
03-6398	ADS Of Connecticut Inc. a/k/a American Disposal Service
03-6738	ADTN International Inc.
03-6206	Advance Personnel Temporary Services Inc.
03-8649	Advance Publications, Inc. d/b/a The Star Ledger
03-6116	Advanced Equipment Sales
03-6117	Advanced Fire Equipment Co. Inc.
03-6118	Advo Inc.
03-3931	Aero Plastics Inc.
03-8749	Aetna US Health Care
03-8402	Afroze Textile Industries a/k/a Notra Home Fashions
03-8366	Agglo Corporation Hong Kong
03-4692	AJM Packaging Corp.
03-6120	Akron Beacon Journal
03-6752	Aladdin Manufacturing Corp. d/b/a American Rug
03-6716	Alderbrook Industries Ltd.
03-4021	All Entertainment Inc.
03-6207	Allen County Recyclers Inc.
03-4825	Allied International

03-3967	Alltrista Consumer Products Co.
03-8750	Alpha Communications
03-4250	American Moulding & Millwork Co., Inc.
03-4075	American Needle, Inc.
03-6491	American Plastic Toys Inc.
03-6209	American Protection Agency Inc.
03-8783	American Retro LLC
03-8773	American School of Needlework Inc. d/b/a ASN Publishing
03-6210	American Stock Transfer & Trust Co.
03-4448	American Textile Company
03-8784	American Textile Company, Inc.
03-6753	American Weavers LLC
03-8752	Amerigas Inc. a/k/a Columbia Propane Corporation
03-4530	Amloid
03-4932	Anchor Hocking Co.
03-4834	Aqua-Leisure Industries, Inc.
03-4979	Arbors West
03-6126	Archangel Trucking
03-6211	Archer Sign Corporation
03-4452	Argus Industries Inc.
03-8369	Arizona Light Creations
03-6492	Arlington Hat Company Inc.
03-4395	Armitron Corp.
03-6212	Armored Motor Service Of America Inc.
03-6658	Arthur Andersen LLP
03-8403	Artsy, Inc.
03-6133	Ashland Publishing Co.
03-4835	Associated Hygenic Products, LLC
03-6137	At Systems Atlantic Inc.
03-3743	Audiovox
03-4251	Aurafin Corporation
03-8518	Automatic Data Processing, Inc.

03-8714	Automatic Data Processing, Inc.
03-8516	Automatic Data Processing, Inc. a/k/a ADP, Inc.
03-6493	Avery Dennison Corporation
03-4065	Avid Outdoor
03-8370	Avid Outdoor LLC
03-4205	B&F Wholesalers, Inc.
03-6213	B2 Direct
03-4538	Baby Gold Jewelry, Inc.
03-6443	Bacova Guild Ltd.
03-4455	Bardini International Inc.
03-4837	Barth & Drayfuss of California
03-6621	Bastet Broadcasting Inc. d/b/a WYOU-TV
03-4184	Bay Industries Co. Ltd.
03-6634	Bear Breek Inc.
03-8371	Beau Creations LLC
03-6362	Beaulieu of America, LLC d/b/a Beaulieu Rugs
03-4024	Beauty Enterprises, Inc.
03-6444	Bell Sports Inc.
03-6620	Benedek Broadcasting Corporation d/b/a WWLP-TV
03-4025	Bentex Kiddie Corp.
03-6214	Berkshire Armored Car Serv Inc.
03-4981	Berkshire-Westwood Graphics Group Inc
03-8372	Berytos International Trading HK a/k/a Capelli New York
03-8373	Bestmade Toys HK Ltd.
03-6445	Beta Brands USA Ltd.
03-4982	Better Building Services Inc
03-4838	Better Home Plastics Corporation
03-4137	Beyond Basics Kids, Inc.
03-6494	Binney & Smith, Inc.

03-4253	Bissell Homecare Inc.
03-8374	Blue Box Toys, Inc.
03-6025	Blue Magic
03-4117	BMG Distribution
03-4026	Bobbie K. Inc.
03-6639	Body Touch Lingerie LLC
03-6146	Boise Cascade Office Products Corporation
03-8375	Boley International (HK) Ltd
03-8376	Bondi Style Ltd
03-6403	Boston Globe
03-8377	Boston Warehouse
03-4542	Botanical Science
03-8404	Bradford Novelty Company, Inc.
03-3970	Briara Trading Company, Inc.
03-6151	Bristol Herald Courier
03-6737	BRK Manipex Ltd.
03-6152	Broadway Garment Co. Inc.
03-3742	Broilking Corporation
03-4984	Brown Publishing Company
03-6026	Brown Wooten Mills Inc.
03-4456	Burlington House Area Rugs
03-3741	Bush Industries, Inc.
03-4185	C & F Trading Corp.
03-4985	C V Carlson Co Inc
03-3934	C.M. Offray and Son, Inc.
03-6664	C.R. Gibson Company
03-6721	Canadian Garment Exporters USA
03-3971	Candlesticks, Inc.
03-4209	Cap City Products Co., Inc.
03-6744	Capital Environmental Resources Inc.

03-8737	Capital Factors Inc.
03-4396	Cara Nurseries, Inc.
03-6646	Carole Hochman Designs Inc.
03-8738	Century Business Credit Corp.
03-4027	Chase International Corporation
03-6717	Columbia Frame, Inc.
03-3821	Commonwealth Wholesale Corporation
03-4996	Courier-Express Publishing Com
03-8710	Dorel Industries Inc. and Dorel Juvenile Group, Inc. (from adv. Pro. 03-8617)
03-3734	Etna Products Co. Inc.
03-8799	F & D Construction Company
03-8800	F & D Construction Company
03-8801	F & D Construction Company d/b/a F & D Mechanical Services, Inc.
03-4030	Fine Sheer Industries, Inc.
03-8467	Fisher-Price, Inc.
03-8532	Fisher-Price, Inc.
03-8794	Fisher-Price, Inc.
03-4417	Frenchtex, Inc.
03-4226	Frito-Lay, Inc.
03-6456	Frito-Lay, Inc.
03-6372	Honeywell Consumer Prods Group
03-6702	Honeywell International Inc. d/b/a Allied Aftermarket
03-4190	Hot Line Ind., Inc.
03-3730	Jeri Jo Inc.
03-8460	Kiddesigns, Inc.
03-6430	L & E Packaging, Inc. n/k/a Avery Dennison Corporation
03-8299	Mattel Brands
03-8625	Mattel Inc.
03-4904	Mattel, Inc.

03-6789	OTC International, Ltd.
03-4852	Parker Metal Corporation
03-6187	Paxar Corporation
03-6188	Paxar Far East Ltd
03-3990	Polar Beverages, Inc.
03-6197	Power Technology Inc.
03-6200	Preferred Labor LLC
03-8631	RVL Packaging Far East Ltd.
03-8632	RVL Packaging Far East Ltd.
03-6660	Securitas
03-4914	Sharp Electronics Corporation
03-3761	Smart Inventions Inc.
03-4865	The Clorox Sales Company
03-4130	The Fonda Group Inc.
03-3942	The Jel Sert Company
03-6480	The Step2 Company
03-3759	Todd Harvey Associates Inc.
03-6308	Tribune Company d/b/a Chicago Tribune
03-6030	Tribune Direct Inc.
03-3849	Unical Enterprises, Inc.
03-4820	Victory Wholesale Grocers
03-4118	Vinyl Source, Inc.
03-6033	Virginia Gazette Companies LLC
03-4494	Wahl Clipper Corp.

Adv. Pro. No.	Defendant(s)
03-3819	Castlewood Apparel Corporation
03-4457	Cat Craft Company
03-6260	CBA Industries Inc.
03-8674	CBS Radio Inc.
03-4397	Cecil Saydah Company
03-8379	Celebrity Exports International a/k/a Celebrity Inc.
03-8380	Century Furniture a/k/a JRA Furniture Industries a/k/a JRA Metal Classics
03-6447	Charles Wolf & Sons, Inc.
03-6269	Charleston Newspapers Inc.
03-4211	Chartpak, Inc.
03-6650	Checkerbee Publishing Inc.
03-8525	Checkpoint Meto
03-8523	Checkpoint Meto a/k/a Checkpoint Systems, Inc.
03-8789	Chesapeake Publishing Corp
03-6369	Chicago Metallic Prods. Inc.
03-4505	Childrens' Healthcare Research
03-8381	Chosun/Continental Industries
03-3739	Chrisha Creations Ltd.
03-3738	Citgo Petroleum Corp.
03-4228	Clear Flow Products
03-3737	Cliff Weil Inc.
03-4084	Clover Corp.
03-4401	Clyde Duneier Inc.
03-8841	CMI Industries
03-4403	Colgate Palmolive Co.
03-8383	Collins International Company, Ltd.
03-4715	Colorado Aggregate Co.
03-6274	Colorgraphics Inc.
03-8663	Columbia Broadcasting System, Inc. d/b/a Westinghouse Broadcasting
03-4229	Columbian Home Products, LLC
03-6275	Commercial News

03-8384	Commodore Manufacturing Corporation
03-8385	Compex International Corporation
03-3736	Conley National Inc.
03-4988	Connecticut Post
03-6851	Continental Business Credit Inc.
03-4815	Control Solutions, Inc.
03-4406	Cord Crafts Inc.
03-3936	Coyne Chemical Co. Inc.
03-6278	Creative Communications & Security Inc.
03-8368	Creative Designs International, Ltd. d/b/a Arbor Toys Division
03-8387	Creative Motion Industries, Inc.
03-8754	CTC Communications Corp.
03-6279	Cumberland Times-News
03-6723	Curtis International Ltd.
03-8405	D/N Hilco HK Ltd.
03-3937	Daewoo Electronics Corp.
03-6014	Daily American
03-6852	Daisy Kingdom Inc, and Springs Industries Inc.
03-8388	Dalton International Ltd
03-6449	Dan River Inc.
03-4717	Danara International, Ltd.
03-8595	Daniel L. Lewis & Assoc
03-4407	Danone Waters of North America, Inc.
03-3823	Dart Distributing LLC
03-6450	Debro Manufacturing Corp.
03-6370	Designs By Skaffles Inc.
03-4866	Dial Corporation
03-6296	Dispatch Consumer Services Inc.
03-4963	Diversified Mechanical Inc
03-4144	Dorcy International Inc.
03-8407	Double Glory Company Ltd.
03-4921	Drybranch, Inc.
03-4843	Duraco Products Inc.
03-8410	E & J Classic Ltd
03-8614	E.S. Sutton Inc.

03-4054	E.S. Sutton, Inc. a/k/a Ryders by E.S. Sutton
03-6306	East Coast Construction Inc.
03-4149	Eastman Kodak Co.
03-6303	Easton Publishing Company a/k/a Times Express
03-6720	Elco Home Fashions Inc.
03-4145	Endar Corp.
03-6858	Enterprise Factoring Corp.
03-6452	Equilon Enterprises LLC
03-6304	Erro Contracting Corporation
03-3824	ESS- Hanes Her Way
03-6407	Ettinger Displays Inc.
03-4086	Evco International Inc.
03-8464	Fabrica De Moveis
03-3940	Fada Industries Inc.
03-6718	Fantom Technologies Inc.
03-8689	Fashion Accessory Bazaar, LLC
03-6454	Fashion Trend LLC
03-8755	Fast Lane Service Center
03-8466	Fast Pace Far East, Ltd.
03-6409	Finger Lakes Printing Company, Inc. d/b/a The Finger Lakes Times
03-4230	Fiskars Brands, Inc.
03-6455	Flexon Industries Corp.
03-4416	Forever New Inc.
03-8848	Foria International Inc.
03-8469	Formative International Company, Ltd.
03-6498	Fort James Corporation
03-4031	Fortress Products LLC
03-8471	Four Star Company International Trading Company
03-4087	FPC Corporation
03-4032	Franklin Sports Industries, Inc.
03-4225	Fresh Caps, Inc.
03-8715	Fritz Companies Inc.
03-4881	Fun For All Corp.

03-8474	Fun Toys
03-8597	Fundex Games Ltd
03-3975	Funline Merchandise Co., Inc.
03-8475	Funline Merchandise Company Ltd.
03-4257	G & A Sales Inc.
03-4090	G & S Metal Products Co. Inc.
03-4419	Ganis Brothers, Inc.
03-4420	Gardener's Delight
03-4033	Garment Services Company Inc.
03-6859	GE Capital Commercial Services; Alliance Wholesale Corp. (3rd pty def)
03-6371	Gemco Ware Inc.
03-6458	Gemini Industries Inc.
03-8479	Gemmy Industries (HK) Ltd.
03-4922	Genender Int'l
03-6499	General Foam Plastics Corp.
03-8531	General Time Corp./Westclox
03-8626	General Time Corporation
03-6010	Georgia-Pacific Corporation
03-4845	Gerber Childrenswear Inc.
03-3976	Gerber Products Co.
03-6459	Ginsey Industries Inc.
03-8481	Global Best Industrial Ltd.
03-8690	Global Concepts, LLC
03-4089	Global Household Brands Inc.
03-8804	Global Maintenance Services, Inc.
03-6412	Globe Specialty Products Inc.
03-8483	Goffa International Corporation
03-8456	Goldberger Doll Manufacturing Company, Inc.
03-8487	Goldmen Electronic Company Ltd.
03-8768	Goldway Enterprises Inc.
03-8615	Graco Children's Products, Inc.

03-4846	Gran Prix Electronics
03-8489	Grand Basket Company, Inc.
03-6600	Greater Media, Inc. d/b/a WMJX 106.7 FM
03-8757	Greenwald Travel Service Inc.
03-8490	Groton Industries, Inc. a/k/a Cheyenne Industries, Inc.
03-8691	GT Plush Ltd.
03-8758	GTS Telephone, Inc.
03-6013	Hanover Publishing Co., d/b/a The Evening Sun
03-3980	Harbor Isle Apparel Corp.
03-8806	Harte-Hanks, Inc.
03-8805	Harte-Hanks, Inc. d/b/a Harte-Hanks Direct Marketing
03-4146	Hartz Mountain Industries, Inc.
03-3732	Hedstrom Corp.
03-4177	Heinz North America
03-4143	Heinz USA
03-4882	Her Majesty/Terry Products
03-8706	Heritage Media Corporation d/b/a WPTZ-TV
03-8629	Hershey Chocolate USA
03-6461	Hi-Rollers Sportswear Ltd.
03-6522	Hirsh Industries Inc.
03-8491	Holiday Times Unlimited, Inc. a/k/a Funworld a/k/a Funworld/Easter Unlimited, Inc.
03-4938	Home Products International Inc.
03-8795	Home Products International, Inc.
03-8797	Home Products International, Inc. d/b/a Seymour
03-8492	Honeywell, Inc. d/b/a Honeywell Consumer Products HK Ltd.
03-8520	Horizon National Contract Services, LLC f/k/a Building One Service Solutions, Inc.
03-6768	Hot Shot

03-6046	Houston Harvest Gift Prods.
03-8652	Howard Publications d/b/a The Times, Illinois Bureau
03-8807	HTS, Inc.
03-8495	Hypercap Trading Company d/b/a Prima Creations, Inc.
03-3731	IC Isaacs & Company L.P.
03-6374	Igloo Products Corporation
03-8843	Ikon New York, Inc.
03-8692	Ilanit Toys Marketing, Ltd.
03-4817	Impact Distribution Services
03-3982	Impact Sports Equipment Inc.
03-6049	Imperial Home Décor Group, Inc.
03-8500	Importations Jacques Fournier, Ltd.
03-3963	Impulse Apparel
03-6051	Infantino LLC
03-4127	Infinity Wireless Products, Inc.
03-4878	Ingrid
03-4034	Interact Accessories Inc.
03-8501	International Business Corporation a/k/a Corona
03-6424	International Check Services, Inc.
03-8694	In-Toys (FE) Ltd.
03-8809	Iron Mountain, inc.
03-8810	Iron Mountain, inc.
03-6734	Irving Tissue Inc.
03-8695	Irwin Toy (HK) Ltd
03-6736	Irwin Toys, Ltd.
03-6052	Jakks Pacific, Inc.
03-8447	Jakks Pacific, Inc.
03-8724	Jakks Pacific, Inc.
03-8449	Jakos (Hong Kong) Ltd.
03-4849	James River Corporation
03-4140	James Thompson & Co. Inc.
03-6437	Janic Companies
03-6677	Jasco Designs

03-8451	Jasman, Inc. d/b/a Jasman Asia Ltd.
03-4035	Jenkins Food, LLC
03-4155	Jersey Wood & Metal Specialties Co.
03-4471	Jessica Michelle
03-8699	Jetmax International LLC a/k/a Jetmax Ltd
03-3978	JK Sportswear LLC
03-8711	JMC Impact Inc.
03-8452	JMC Impact, Inc.
03-4973	Jobpro Temporary Services Inc.
03-4425	Johnson & Johnson Sales & Logistics Co.
03-6378	Jolie Intimates Inc.
03-8454	Joy You Development (HK) Ltd.
03-4598	Just Think Toys
03-8705	K.T. Industries SDN. NHD./Prestige Global*
03-4729	Kalikow Bros. Inc.
03-3729	Kantor Bros. Neckwear Co., Inc.
03-6428	Kapp Advertising Services, Inc.
03-3828	Kazi Sportswear, Inc.
03-4997	Keene Publishing Corp
03-8701	Keenway Industries Ltd.
03-8716	Kellaway Intermodal Distribution Systems Inc.
03-8458	Kellytoy (USA), Inc.
03-8854	Kenilworth Spts Inc.
03-6524	Kenney Manufacturing Co.
03-3829	Kent (Bicycles) Int'l. Inc.
03-4818	Keystone Pretzel Bakery
03-8462	Kid Kore International Ltd.
03-4601	Kids II Inc.
03-8702	Kids Only, Inc. d/b/a Kids Only, Ltd.
03-4426	Kids Stop
03-8793	Kids World Ltd/XL Machine Ltd
03-4093	Kilgore Hosiery Inc.

03-4138	Kimberly-Clark Corp.
03-3728	Klear-Vu Corp.
03-4731	Kleinerts Inc.
03-4094	Kutchko Greenhouse, Inc.
03-8839	KYW AM
03-8840	KYW TV KDKA TV
03-8742	L and P Financial Services
03-4037	Lambert of Arkansas Inc.
03-6924	Lanard Toys, Inc.
03-6925	Lanka Novelties (PVT) Ltd
03-4260	Lasko Metal Products Inc.
03-4605	Lawnware Products Inc.
03-4734	Leer Gem Ltd.
03-4095	Lily Popcorn Inc.
03-8305	Moose Mountain Toymakers Ltd
03-6470	MR Bar-b-q Inc.
03-6532	Oil-DRI Corporation of America
03-4008	Pet Zone Products Ltd.
03-8743	Private Factoring Inc.
03-8656	Radiohio Incorporated
03-8730	Road Champs Inc.
03-6867	Robin Rug Inc.
03-6645	Sakar International, Inc.
03-4832	Stylette
03-6312	Sutton Intimates
03-6332	Target Marketing Maine Inc.
03-3954	The Day Publishing Co.
03-4168	Timex Corporation
03-8391	TMP International Inc.
03-4443	Toymax (HK) Ltd
03-6915	Trau & Loevner, Inc.
03-6915	Wild Planet Toys

Adv. Pro. No.	Defendant(s)
03-6926	LB International
03-3984	LE Farrell Co., Inc.
03-8759	Le Liquidating Corp. d/b/a Lens Express Inc.
03-4927	Lee/Rowan
03-3744	Leen & Associates, Inc.
03-6722	Lee's Pottery Inc.
03-6464	Lego Systems Inc.
03-6927	Lemonwood Asia Ltd
03-6929	Levatoy LLC
03-6465	Levy Home Entertainment Inc.
03-6466	Linon Home Décor Products, Inc.
03-4262	Little Tikes Co.
03-4233	Loew Cornell, Inc.
03-8291	Lontic Co. Ltd
03-4975	Lori A Lawrie
03-8292	Lovee Doll & Toy Co., Inc.
03-8293	LPK International, Inc.
03-8294	Lucky Industrial (Holdings) Ltd
03-3747	Lynk Inc.
03-8725	Lyric Investment Ltd/PJ Toys, Inc.
03-6057	M&R Distributors
03-8295	Maccabee Sports
03-4737	Madison's Best LLC
03-6528	Magee Company
03-8296	Magic Power Co. Ltd
03-4192	Magic Sliders LP
03-4156	Magid Handbags, Ltd.
03-3748	Magnivision Inc.
03-6693	Mail Marketing Systems, Inc. n/k/a Advo, Inc.
03-6694	Manchester Newspapers, Inc.
03-8297	Manley Toys
03-8298	Marko By Carlisle
03-4741	Markowitz Jewelry Co.
03-4613	Marshmallow Cone Co.
03-6060	Mary Sue Candies Inc.

03-6696	Mason & Kichar, Inc.
03-3750	Matisse Jewelry Inc.
03-8300	May Products Co. Ltd
03-6697	Maybury Associates, Inc.
03-6467	MB Glick Co. Inc.
03-6164	McCoy Ltd LLC
03-8301	Mcfield International
03-6701	McKee Baking Company
03-4615	Medelco Inc.
03-8302	Megcos Toy Co. Ltd
03-6468	Melnor Inc.
03-6166	Merchandise Movers Inc.
03-4744	Merrick Engineering Inc.
03-3832	Metal Fusion, Inc.
03-4049	Metropolitan Plant & Flowers Inc.
03-4096	Metz Baking Co
03-4194	Mezco Toyz LLC
03-8303	MGA Entertainment (HK) Ltd
03-8304	Michael Chung Associates, Ltd
03-4050	Micropack Corp.
03-6167	Midland Lithographing Company
03-6729	Midlon Foods Inc.
03-4751	Milaca Mills Inc.
03-8533	Miller & Hartman Mid Atlantic Inc.
03-8534	Miller & Hartman Mid Atlantic Inc.
03-6713	Mirro Corp.
03-4234	Mizuno USA, Inc.
03-8819	Mobil Oil Corporation
03-6170	Mobile Storage Group Inc.
03-4948	Model Service Agency LLC
03-6529	Monarch Luggage
03-8459	Monicore, Inc. d/b/a Kelly Lee (Asia) Ltd.
03-8536	Motion Industries Inc.
03-8539	Motion Industries, Inc.
03-6172	Mountaineer Newspapers
03-8306	Moveis Waley
03-4042	MTD Southwest Inc.
03-4430	Music Industries Corp.
03-4950	National Career Guidance Inc

03-6400	National Door Services
03-8307	National Sporting Goods Corp.
03-8308	Natural Science Industries, Ltd
03-8309	Navy Star USA Inc.
03-6530	Nestle Purina Petcare Company
03-6682	Nestle USA, Inc.
03-4687	New England Souvenir & Gift
03-6174	New England Trailer Repair
03-4161	New York Periodical Distributors, Inc.
03-4919	Newell Co. Inc.
03-8780	Newell Rubbermaid Inc. d/b/a Interkraft Industries Corp.
03-6177	News & Advance
03-6561	Newspaper Holdings, Inc. d/b/a The Tribune-Democrat
03-8658	Nextstar Broadcasting Group, LLC d/b/a WBRE TV
03-8761	Niagra Mohawk Power Corporation
03-8310	Nikko America Inc.
03-6180	Norkol Fibercore Inc.
03-6531	North American Closures Inc.
03-6181	Northeast United Corp.
03-8311	Northpole China Ltd
03-6064	O'Cedar Brands, Inc.
03-6184	OKI Systems Limited
03-3986	Old World Automotive Products, Inc.
03-6185	Olean Times Herald
03-4432	Olympia Industrial Inc.
03-8727	Omega Toy Corp/Juans (Phil) Corp.
03-3946	Ontel Products Corp.
03-3752	Opus, Inc.
03-8312	Oregon Scientific Global Dist. Ltd
03-6554	Ottaway Newspapers, Inc. d/b/a The Times Herald Record, Inc.
03-4438	Outer Circle Products Ltd.
03-4883	P.C.A. Apparel Industries, Inc.
03-3987	PA Distribution, Inc.
03-4476	Pacesetter Imports Inc.

03-4236	Pacific Housewares, Inc.
03-6186	Pala Construction Corp.
03-4099	Panacea Products Corp.
03-4218	Paradigm Marketing LLC d/b/a Distinct Impressions
03-8313	Peachtree Playthings (HK) Ltd.
03-4752	Pear Trend
03-6189	Peerless Elevator Company
03-8798	Pennzoil-Quaker State Company a/k/a Blue Coral/Slick 50
03-4238	Pepsi Cola Bottling (Olean)
03-4239	Pepsi Cola Bottling Company (Salisbury)
03-6840	Pepsi Cola Bottling of Athens, and Pepsi Cola Bottling Co
03-6836	Pepsi Cola Bottling of Mansfield, and Pepsi Cola Bottling Co
03-4884	Pepsi Cola National Beverage Ltd.
03-6065	Pepsi-Cola Btlg Elmira
03-3753	Pepsi-Cola Buffalo Bottling Co.
03-3834	Pepsi-Cola Company Winston Salem
03-4640	Pepsi-Cola of Portsmouth
03-8314	Peter Alan Inc.
03-8493	Peter Mackinnon d/b/a Hong Kong City Toys
03-8762	Peterson's Oil Service Inc.
03-6190	Petit Plumbing
03-8729	PHB HK Ltd/Pyramid Accessories, Inc.
03-4853	Philips Consumer Electronics
03-6880	Phillips Factors Corp. and BB&T Factors Corporation
03-4481	Pinnacle Art and Frame
03-6191	Pinnacle Group LLC
03-8315	Planet 3
03-8316	Playmates Toys (HK), Inc.
03-6192	Plumtree Software, Inc.
03-4959	PMS Printing
03-6193	Pocono Record
03-4907	Polaroid Corporation
03-8317	Poly-Union Ltd/Heritage Industries
03-6195	Post Journal
03-8792	Posterloid Corporation
03-6198	Poyant Signs Inc.

03-8318	Precious Moments Co. Ltd/Trend Mkt
03-6199	Precision Air Inc.
03-4831	Precision Consumer Products
03-4241	Premier Brands Of America, Inc.
03-6202	Press Herald/Telegram
03-6203	Press Republican
03-8319	Prestige Global Co. Ltd
03-4757	Prewett Mills Distribution Ctr
03-4819	Pride N Joys
03-4759	Processed Plastic Co.
03-6204	Product Sourcing Div of Stanwell Corp
03-8320	Prominence Montreal, QC
03-6000	Protective Technologies Int'l
03-8763	Provenenergy Oil
03-8503	PT Shinetama Interfashion/Prestige Global
03-3757	Quaker Oats Company
03-6059	R Mullen & Asso Inc
03-8321	Racing Champions Ertl Co.
03-6541	Racing Champions Ertl Corp.
03-4477	Racing Champions Inc.
03-4104	Radiator Specialty Company
03-3756	Radio Flyer Inc.
03-8323	Radio Flyer Inc.
03-3992	Recoton Corp.
03-8324	Red Box Toy Factory
03-3950	Regent International Corp.
03-8497	Reliance Trading Corporation of America d/b/a I.J.K., Ltd.
03-6533	Reliance Trading Corporation of America d/b/a Reliance Trading Corp.
03-4010	Remington Products Inc.
03-4485	Revell-Monogram LLC
03-4649	Rimax USA
03-4052	Ritvik Toy Corporation
03-4855	Rival Manufacturing Co.
03-6685	Roccorp, Inc.
03-4108	Rolf C Hagen (USA) Corp
03-4197	Roundhouse Products Inc.
03-6001	Royal Brush Mfg Inc.
03-4011	Royal Oak Sales, Inc.

03-4441	Royal United Corp.
03-4053	Royce Union Bicycle Co., Inc.
03-4913	Rubbermaid Inc.
03-8776	Rubbermaid Specialty Products Inc.
03-6068	Ryco Inc.
03-4939	S. Berstein & Son Lingerie, Inc.
03-6002	S. Parker Hardware Manufacturing Corporation
03-6866	S.R.M. Toys Ltd.
03-6393	Sakoura Design Ltd.
03-6856	Samsung Electronics America
03-3838	Sandalwood Apparel Corporation
03-6227	Sandusky Distributing Co. Inc.
03-6868	Sankyu USA, Inc.
03-4012	Sarne Corp.
03-6869	Scientific Toys
03-3993	SDS Sportswear Ltd a/k/a J A Mens
03-6017	Semasys
03-6870	Sensational Silk (HK) Ltd.
03-4164	Shan & Birdie Int'l Inc.
03-4013	Shari Candies, Inc.
03-6871	Shelcore Hong Kong Ltd.
03-4928	Shur-Line, A Newell Rubbermaid Company
03-6873	Simba/Continental Industries
03-8408	Simon Farms, Inc.
03-6568	Treasure Chest Advertising Co., Inc.
03-3762	Wynit, Inc.

Adv. Pro. No.	Defendant(s)
03-8390	Simon International Ltd
03-8551	Simplexgrinnell
03-4762	SJS Fashions, Inc.
03-6715	Skyway Wood Products, Inc.
03-6874	SLI Lighting Co.
03-8633	Sonoco Products Company
03-6714	Spin Master Ltd.
03-8506	Spin Master Toys, Ltd.
03-4671	Spirite Industries Inc.
03-4442	Sport Fun Inc.
03-6879	Sport Fun, Inc.
03-6537	Sportcraft, Ltd.
03-6669	Spring Industries Inc. d/b/a Dundee Mills
03-4764	Springs Fabric
03-4918	Springs Industries Inc.
03-4166	Standard Distributing Inc.
03-6236	Standard Times Inc.
03-4198	Star America Inc.
03-4857	Steven Richard Photography
03-6321	Stickopotamus
03-6481	Stone Cline Curtain Co. Inc.
03-8609	Store Wide Delivery Co. Inc.
03-8610	Stylemaster Inc.
03-6322	Stylish Move Sportswear, Inc.
03-4491	Stylish Move Sportswear, Inc.
03-6539	Suburban Chicago Newspapers
03-6884	Sun Terrace Casual Furniture d/b/a US Leisure Furniture
03-4858	Sunstone Inc.
03-4859	Suntrust Bank Inc.
03-8779	Sure Fit Inc.
03-8825	Sutton Creations Inc.

03-4167	Sutton Creations Inc.
03-4860	Sutton Creations/Wrangler
03-6020	SWJ Jeanswear
03-6883	Syroco Inc.
03-4492	Systems Engineering & Design Inc.
03-6885	Tai Sun Plastic Novelties Ltd
03-6887	Technical Marketing Associates, Inc.
03-6889	Tek Nek Toys (HK) Ltd
03-4863	Telco International Ltd.
03-4014	Tensor Corporation
03-4864	Terry Products Inc.
	Thane International, Inc.
03-6451	The Brinkman Corp.
03-6542	The Citizen-Retail
03-6521	The Cluett Corporation
03-3845	The Daily Item Publishing Co.
03-6483	The Gillette Company d/b/a Duracell U.S.A.
03-3846	The Gillette Company
03-3847	The Haddad Apparel Group Ltd.
03-3998	The Hilasal Corporation
03-4269	The Holmes Group Inc.
03-4110	The Holson Corporation
03-8541	The Hoover Corporation
03-8728	The Ideal Toy Company Inc.
03-6890	The Jonbarr Company
03-6351	The Lehigh Group
03-6355	The Metro Group Inc.
03-6357	The Original San Francisco Toymakers Inc.
03-6550	The Paper Magic Group Inc.
03-6551	The Post Standard
03-4015	The Repository
03-6552	The Roanoke Times
03-8635	The Shopping News, LLC
03-8747	The Sidney Daily News
03-4000	The Tiffen Company, LLC

03-6891	The Times Argus Association, Inc.
03-6565	The Times Leader, Inc.
03-8731	The Times Leader, Inc.
03-6566	The West Bend Company
03-8416	Time Corporation Ltd
03-6741	Times Publishing Company
03-6892	Times Union
03-8507	Timothy Daniels Enterprises, Inc.
03-8509	TIP
03-6893	TKO Originals Ltd.
03-6894	Tony Development (Tony USA)
03-6895	Top Most Design Co. Ltd.
03-6897	Top Royal Flash Corp./Prestige Global
03-6898	Toy Biz Division of Marvel Ent.
03-6899	Toy Concepts International Ltd
03-6900	Toy Island Manufacturing Co.
03-6902	Toy Major Trading Company, Inc.
03-4493	Toy State Industries Ltd.
03-6903	Toy Things
03-4766	Toy-o-Rama International Ltd
03-6569	Traly Hong Kong Ltd/Opportunity Knocks
03-6570	Trendmasters, Inc.
03-6904	Trendmasters, Inc.
03-3955	Trendsetters International Inc.
03-6545	Tribune Star Publishing Company
03-4767	Troy Daily News, Inc.
03-6572	True Seating Concepts LLC
03-6573	TT Systems LLC
03-6486	UAV Corporation
03-6484	Ultra Hardware Products, LLC
03-8719	Union Leader Corporation
03-6546	Union-New/Sunday Republican
03-4173	Unisource Worldwide, Inc.
03-4678	United Comb & Novelty Corp. d/b/a United Plastics
03-4199	United Curtain Co. Inc.
03-6005	United Parcel Service Inc.
03-6547	United Store Fixtures, Inc.

03-6908	Universal Sunray
03-4868	US Cotton LLC.
03-6730	US Kids Inc. 2001
03-8679	US Shell Inc.
03-6487	UTI Time Corp.
03-6909	Valley Media, Inc.
03-6910	Val-U Recognition LLC
03-6580	Van Troxel Inc.
03-6911	Variflex, Inc.
03-4445	Veritime, Inc.
03-6912	Verizon Credit Inc
03-8461	Victor Company Inc.
03-8553	Victory Land Enterprises Co. Ltd.
03-8636	Video Technology (Vtech Electronics Limited)
03-8746	VIS Development Corporation
03-6586	Vision Toys
03-8392	Volk Manufacturing Co.
03-8659	Wah Hing Toys Development Co. Ltd.
03-8661	Warner Home Video
03-6588	Waste Management Inc.
03-6047	Waste Management Inc.
03-8820	Waste Management of Pennsylvania, Inc.
03-6656	Waste Management of Rhode Island
03-8733	Wavmax Enterprises Inc./International Market Corp.
03-6006	WBAL TV
03-4016	WBBM-WJMK
03-4200	WBJ-AM TV and WBZ-AM TV
03-6913	WBNG TV
03-4496	WBNS-TV, Inc.
03-6589	WBOY INC
03-6079	WBZ AM WODS FM
03-8662	WCAU TV
03-6590	WCVB TV
03-8671	Weavecraft
03-8697	Wentworth Greenhouses Inc.
03-6914	Western Pennsylvania Floral, Inc.
03-4246	Westrim Crafts Div. Bemiss-Jason
03-8637	Westrim, Inc. d/b/a Westrim Crafts
03-8638	Wethersfield Offset Inc.

03-6084	WETM TV
03-6855	WEWS-TV
03-6595	WFMJ Television, Inc.
03-8790	WGAL-TV, Inc.
03-6488	WGCI AF
03-8611	Wham-O, Inc.
03-4201	Whitewood Trading DDN BHD
03-8504	Who's That Girl, Inc.
03-6087	WHP, L.P.
03-6088	WHP, L.P.
03-6090	WHUD WS
03-8683	Willert Home Products, and Willert Home Products Inc.
03-6599	Wilmington Star-News, Inc.
03-4995	Wilson Sport Socks Co.
03-6602	Wilton Enterprises Inc.
03-8393	Wilton Industries, Inc. d/b/a The Weston Gallery
03-6704	Winner International Inc.
03-8389	Wiry Co. Ltd/Prestige Global
03-4871	WJBR FM WJBR AM
03-8639	WJZ
03-8707	WLBZ
03-6603	WLIT FM
03-6107	WLS Television Inc.
03-6109	WNWO-TV
03-8734	Worcester Telegram & Gazette, Inc.
03-6130	World Mark Ltd/Kidz Toyz Inc.
03-8666	World Products Group International, Inc.
03-6525	World Wide Events
03-4019	Worldwide Dreams LLC
03-8670	WPVI-TV, Inc.
03-4247	WPVI-TV, Inc.
03-6918	WPXI Inc.
03-4498	WSBK TV 38 Inc
03-6919	WSPK
03-6921	WTAE TV
03-4128	WTIC AM/FM
03-8666	WTNH TV
03-6525	Wundies Enterprises, Inc. d/b/a Kickaway

03-4019	Wundies Inc.
03-8670	WVAZ
03-4247	Xpres Corporation
03-6918	XYZ Imports
03-4498	XYZ Imports Int'l Corp.
03-6919	Yanova Limited T.S.T.
03-6921	Yu Shan Woodwork Co. Ltd
03-4128	Zapf Creations US Inc.

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January 29, 2008

VIA EMAIL: nforrest@cgsh.com

AND REGULAR MAIL

Neil Forrest, Esq.

CLEARY GOTTlieb

One Liberty Plaza

New York, New York 10006

Re: Mediation - Ames Merch. Corp. v. Groton Industries; A.P. No. 03-08490 (REG)

Dear Mr. Forrest:

You will recall that you served as mediator between the above parties on November 7, 2007. The parties were unable to come to a settlement during the mediation session and it was Groton's understanding that mediation had officially concluded at the end of the session. Ames' counsel has informed us that he believes mediation to be ongoing. In any case, the bankruptcy judge has recently stated that mediation will be considered open until officially concluded by a statement from the mediator.

Since our mediation session, Groton has made further attempts at settling this matter. On November 28, 2007, we sent Debtor's counsel the enclosed settlement offer. We have never received a response to this offer, and thus, assumed that Debtor was no longer interested in exploring settlement and that mediation had terminated.

In order to resolve this matter, our client has authorized us to re-submit the enclosed settlement offer to Ames for a period of fifteen (15) days. Accordingly, by copy of this letter and enclosure, we request that Ames' counsel discuss the enclosed settlement offer with parties at Ames and respond through your office no later than 12 noon, Central Standard Time, on Wednesday, February 13, 2008. These settlement terms shall expire if not accepted prior to this deadline.

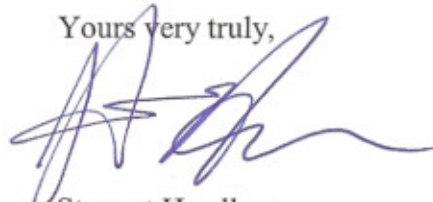
If Groton's settlement offer is not timely accepted or met by a reasonable response from Ames, we request that you as the mediator deem mediation to be terminated and report such termination to the bankruptcy court. As an alternative, if Debtor's counsel believes another formal mediation will be beneficial, our client is willing to consider further mediation, but given our client's

Neil Forrest, Esq.
CLEARY GOTTlieb
January 29, 2008
Page Two

expense of sending a representative from Arkansas to New York, we request that any decision on further mediation first be addressed by conference call between you, Debtor's counsel, and either Mr. Hopkins or me. If Debtor's counsel will give us assurances that reasonable, good faith efforts at reaching an agreed resolution will be expended by the Debtor, we will ask our client to consider an additional mediation session. Otherwise, we need to terminate the formal mediation and proceed with the jury trial proceedings in this matter.

Once again, allow me to express my appreciation for the professional manner in which you have handle this engagement. Please call should you have questions.

Yours very truly,



Stewart Headlee

FSH:rkt

Enclosure

cc: Avery Samet, Esq. (w/encl.)(via Email: asamet@samlegal.com and Regular U.S. Mail)
Sarah Campbell, Esq. (w/encl.)(via Email: scampbell@ny.whitecase.com
and Regular U.S. Mail)

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November 28, 2007

Avery Samet, Esq.
STORCH AMINI & MUNVES PC
140 East 45th Street
25th Floor
New York, New York 10017

Re: Ames Department Stores, Inc., Bankruptcy No. 01-42217; Ames Merchandising Corporation v. Groton Industries, Inc. a/k/a Cheyenne Industries, Inc., AP No. 03-08490; Proposed Settlement of Preference Action and Administrative Priority Claim

Dear Avery:

Our client has authorized the submission of another settlement proposal in an effort to resolve the matter. This settlement proposal has three basic components: the allowance of our client's Administrative Priority Claim and agreed amount; the settlement of the Preference Action for an agreed amount; and the payment of the Preference Settlement out of our client's initial 40% distribution on its Administrative Priority Claim.

As you may recall, our client claimed Administrative Priority Claim in the amount of \$480,380.59. We are willing to discount the Administrative Claim to \$430,000.00. As I understand it, this Administrative Claim would be entitled to receive an initial distribution of 40% approximately thirty days after approval of our Settlement Agreement.

In connection with the Preference Case, it is my understanding that your client's main assertions of preferential transfer relate to the last two wire transfers which approximate \$160,000.00. For all the reasons we have discussed, we believe your client will lose a trial on these issues. Nevertheless, in an effort to resolve this matter by agreement, my client has authorized payment of \$70,000.00 full and final settlement of the Preference Action.

The \$70,000.00 Preference Settlement payment would be deducted from the initial 40% distribution on the Administrative Claim. According to our calculations, based upon the agreed claim of \$430,000.00, your client would receive from this initial distribution the sum of \$70,000.00 with my client receiving the balance of \$102,000.00.

Avery Samet, Esq.
November 28, 2007
Page Two

Please discuss this matter with parties at Ames at your earliest convenience. This offer expires if not accepted by 12 noon, Central Standard Time, on Monday, December 10, 2007.

Obviously, this letter and its contents are submitted solely for the purpose of settlement. This letter does not constitute any admission of liability or any unfavorable comment on the strengths of our case. This letter shall not be admissible in any proceeding other than a proceeding by either party to enforce any settlement agreement each consistent with the terms of this letter.

Very truly yours,



Gregory M. Hopkins

GMH:rkt